Top 100 Earners in Banking

Banks or Bank Holding Companies Ranked by 1985 Net Income

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Rank 1985		NET INCOME 1985	NET INCOME 1984	Rank 1984	Gain	ADJUSTED NET INCOME 1985	ADJUSTED NET INCOME 1984	PROFITABILITY RATIOS Return on Assets 1985	Return on Assets 1984	Return on Equity 1985	Return on Equity 1984
1	Citicorp, New York (c)	998,000,000	890,000,000	1		998,000,000	815,000,000	0.62	0.62	15.10	15.00
2	J.P. Morgan & Co., Inc., New York (c)	705,400,000	537,600,000	2		683,300,000	525,600,000	1.06	0.87	17.40	15.29
3	Chase Manhattan Corp., New York (c)	564,818,000	405,818,000	3		526,518,000	405,818,000	0.65	0.48	13.60	10.10
4	Manufacturers Hanover Corp., New York (c)	407,475,000	352,509,000	4		407,475,000	343,254,000	0.54	0.50	12.33	11.33
5	Chemical New York Corp. (c)	390,187,000	340,775,000	6	+1	390,187,000	340,775,000	0.70	0.63	14.59	14.16
6	Bankers Trust New York Corp. (c)	371,248,000	306,814,000	7	+1	371,248,000	262,914,000	0.79	0.71	16.59	16.20
7	Security Pacific Corp., Los Angeles (d)	322,800,000	291,022,000	8	+1	322,800,000	288,622,000	0.69	0.71	15.30	15.65
8	First Interstate Bancorp., Los Angeles (c)	313,058,000	276,340,000	9	+1	313,058,000	276,340,000	0.67	0.64	13.31	12.68
9	Mellon Bank Corp., Pittsburgh (c)	201,695,000	158,500,000	13	+4	201,695,000	154,300,000	0.63	0.54	12.19	10.30
10	Wells Fargo & Co., San Francisco (d)	190,034,000	169,265,000	11	+1	157,934,000	169,265,000	0.67	0.62	14.05	12.88
11	PNC Financial Corp, Pittsburgh (c)	187,794,000	143,172,000	14	+3	187,794,000	143,172,000	1.12	1.09	17.29	16.50
12	First Wachovia Corp., Winston-Salem, N.C. (c)	187,678,000	.....	...		178,426,000	.....	1.18	.....	19.56	.....
13	Bank of Boston Corp. (c)	173,797,000	164,054,000	12		166,104,000	118,854,000	0.73	0.79	13.72	15.19
14	First Union Corp., Charlotte, N.C. (c)	173,624,000	80,024,000	35	+ 21	148,739,000	73,990,000	1.24	1.22	19.05	18.82
15	First Chicago Corp. (c)	168,999,000	86,369,000	31	+ 16	168,999,000	86,369,000	0.43	0.22	8.33	3.38
16	SunTrust Banks, Inc., Atlanta (c)	166,831,000	.....	...		160,944,000	.....	1.01	.....	16.26	.....
17	First Bank System, Inc., Minneapolis (c)	166,781,000	131,107,000	16		163,781,000	125,198,000	0.70	0.63	14.60	12.00
18	NCNB Corp., Charlotte, N.C. (c)	164,489,000	119,225,000	17		130,531,000	109,274,000	0.92	0.83	17.23	16.39
19R	RepublicBank Corp., Dallas (c)	140,179,000	137,341,000	15		133,091,000	137,341,000	0.64	0.75	11.90	13.82
20r	Continental Illinois Corp., Chicago (c)	133,189,000	(1,087,000,000)	...		96,189,000	(1,087,000,000)	0.53	-3.03	8.31	-73.60
21	MCorp, Dallas (c)	132,374,000	107,710,000	21		130,512,000	95,610,000	0.64	0.77	11.40	13.83
22	Bank of New England Corp., Boston (c)	131,189,000	46,274,000	55	+ 33	114,791,000	45,007,000	0.88	0.70	17.25	15.75
23	Banc One Corp., Columbus, Ohio (c)	130,362,000	107,973,000	20		130,362,000	107,973,000	1.37	1.33	17.77	17.30
24	Bank of New York Co., Inc. (c)	130,255,892	107,520,000	22		130,255,892	107,520,000	0.84	0.80	15.48	14.78
25	Barnett Banks of Florida, Inc., Jacksonville (c)	128,267,000	103,436,000	24		128,267,000	103,436,000	0.97	0.94	17.21	18.12
26	Marine Midland Banks, Inc., Buffalo, N.Y. (c)	125,119,000	90,416,000	29	+3	125,119,000	90,416,000	0.55	0.41	11.05	8.39
27	Citizens & Southern Georgia Corp., Atlanta (c)	124,588,000	72,435,000	37	+ 10	124,588,000	72,435,000	1.03	0.98	18.11	17.77
28	Republic New York Corp. (d)	122,069,000	96,530,000	27		122,069,000	96,530,000	0.79	0.71	14.47	14.43
29	Allied Bancshares, Inc., Houston (c)	122,033,000	118,782,000	18		115,162,000	105,575,000	1.25	1.33	19.51	22.21
30	NBD Bancorp., Inc., Detroit (c)	117,992,000	94,523,000	28		117,992,000	94,523,000	0.78	0.71	12.84	11.43
31	Irving Bank Corp., New York (c)	115,979,000	98,112,000	26		115,979,000	98,238,000	0.55	0.48	12.64	9.76
32	CoreStates Financial Corp., Philadelphia (c,a)	114,690,000	104,480,000	23		114,690,000	104,480,000	1.10	1.07	16.45	17.85
33	National City Corp., Cleveland (c)	108,447,000	65,895,000	40	+7	107,847,000	64,479,000	0.92	0.90	15.52	13.87
34	Norwest Corp., Minneapolis (c)	107,645,000	69,500,000	39	+5	36,043,000	69,500,000	0.54	0.34	9.00	6.00
35	First Fidelity Bancorporation, Newark, N.J. (c)	93,795,000	85,673,000	32		93,795,000	81,497,000	0.87	0.85	13.81	14.74
36	Norstar Bancorp, Inc., Albany, N.Y. (c)	93,005,000	77,254,000	36		93,005,000	76,989,000	1.12	1.16	14.05	14.15
37	Sovran Financial Corp., Norfolk, Va. (d)	92,577,000	80,244,000	34		92,577,000	79,265,000	1.08	1.12	17.27	17.28
38	Midlantic Banks, Inc., Edison, N.J. (c)	90,634,000	65,035,000	41	+3	90,634,000	65,035,000	1.04	1.00	18.01	18.03
39	Fleet Financial Group, Inc., Providence, R.I. (c)	82,243,000	65,029,000	42	+3	82,743,000	65,029,000	1.38	1.24	19.01	17.83
40	AmeriTrust Corp., Cleveland (d)	80,384,000	70,366,000	38		77,351,000	69,742,000	1.18	1.20	11.56	10.84
41	Hartford National Corp., Conn. (c)	80,360,000	58,594,000	49	+8	83,060,000	54,894,000	1.09	1.06	17.20	17.06
42	Valley National Corp., Phoenix, Ariz. (d)	76,976,000	60,440,000	47	+5	76,976,000	53,381,000	0.86	0.75	15.20	13.30
43	Maryland National Corp., Baltimore (c)	73,015,000	49,032,000	53	+ 10	70,933,000	47,296,000	1.02	0.80	17.35	14.29
44	Bank of Virginia Co., Richmond (c)	71,073,000	37,104,000	76	+ 32	74,416,000	36,447,000	1.06	1.00	18.26	17.12
45	KeyCorp, Albany, N.Y. (c)	68,407,000	50,770,000	52	+7	68,407,000	50,770,000	1.10	1.07	15.96	15.44
46	United Virginia Bankshares, Inc., Richmond (c)	67,595,000	57,344,000	50	+4	67,595,000	57,344,000	1.05	1.01	16.71	16.46
47	U.S. Bancorp., Portland, Ore. (c)	66,237,000	60,127,000	48	+1	63,313,000	60,127,000	0.85	0.88	12.03	11.91
48	Rainier Bancorporation, Seattle (c)	65,202,000	61,386,000	45		62,263,000	59,086,000	0.88	0.91	13.98	14.71
49	Southeast Banking Corp., Miami (c)	64,913,000	64,127,000	44		59,887,000	57,411,000	0.65	0.71	12.08	12.87
50	InterFirst Corp., Dallas (c)	61,100,000	117,900,000	19		1,400,000	44,000,000	0.29	0.57	5.30	10.70
51	Society Corp., Cleveland (c)	60,307,000	43,617,000	61	+ 10	55,439,000	43,617,000	0.87	0.85	14.39	13.64
52	Boatmen's Bancshares, Inc., St. Louis (c)	59,163,000	30,932,000	97	+ 45	59,163,000	30,932,000	0.98	0.96	14.89	16.16
53	Meridian Bancorp., Inc., Reading, Pa. (c)	57,601,000	41,337,000	66	+ 13	57,601,000	41,337,000	1.02	0.95	16.29	15.05
54	Harris Bankcorp, Inc., Chicago (c)	57,510,000	41,199,000	67	+ 13	57,510,000	41,199,000	0.64	0.47	10.05	9.94
55	Shawmut Corp., Boston (c)	57,290,000	43,564,000	62	+7	57,290,000	43,564,000	0.87	0.76	14.62	14.10
56	State Street Boston Corp., Boston (d)	55,254,000	49,015,000	54		55,254,000	45,869,000	1.12	1.26	18.80	19.60
57	Natwest Holdings Inc., New York (d,j,k)	54,575,000	40,062,000	68	+ 11	54,575,000	36,362,000	0.61	N.A.	10.34	N.A.
58	Texas Commerce Bancshares, Inc., Houston (c)	53,000,000	183,300,000	10		34,500,000	177,300,000	0.27	0.98	4.41	16.79
59	Boston Safe Deposit & Trust Co. (m)	52,794,000	.....	...		52,794,000	.....	1.84	.....	26.18(e)	.....
60	Comerica, Inc., Detroit (c)	52,672,000	56,896,000	51		52,672,000	49,196,000	0.59	0.63	11.12	11.95
61	Huntington Bancshares, Inc., Columbus, Ohio (c)	52,498,000	43,662,000	60		52,498,000	43,662,000	0.92	0.83	14.85	14.42
62	Mercantile Bancorp., Inc., St. Louis (c)	52,176,000	46,055,000	57		52,176,000	46,310,000	0.89	0.87	13.17	12.73
63	First Alabama Bancshares, Inc., Montgomery (c)	51,089,000	43,781,000	59		51,089,000	43,781,000	1.49	1.38	15.76	14.92
64	Continental Bancorp, Inc., Philadelphia (c)	51,009,000	38,641,000	69	+5	51,009,000	38,641,000	1.17	1.12	17.16	16.19
65	Florida National Banks of Fla., Jacksonville (c,b)	50,236,000	42,634,000	64		48,488,000	35,077,000	0.90	0.91	14.13	15.03
66	Manufacturers National Corp., Detroit (c)	50,026,000	38,392,000	71	+5	50,026,000	38,392,000	0.81	0.66	14.36	12.31
67	Third National Corp., Nashville, Tenn. (c)	49,827,000	38,557,000	70	+3	49,827,000	38,557,000	1.08	1.01	17.26	16.22
68	Old Kent Financial Cp., Grands Rapids, Mich. (c)	49,414,000	45,058,000	58		49,414,000	43,978,000	1.21	1.18	18.09	18.98
69	BayBanks, Inc., Boston (c)	48,579,000	37,214,000	74	+5	48,579,000	37,214,000	0.87	0.78	16.30	13.90
70	First Florida Banks, Inc., Tampa (d)	47,972,000	38,313,000	72	+2	43,032,000	25,306,000	1.26	1.21	19.08	18.10
71	AmSouth Bancorporation, Birmingham, Ala. (c)	46,509,000	37,424,000	73	+2	44,116,000	33,484,000	1.08	0.95	15.79	14.33
72	Fidelcor, Inc., Philadelphia (d)	45,551,000	42,170,000	65		45,551,000	42,170,000	0.80	0.77	15.78	15.13
73	Fifth Third Bancorp, Cincinnati (c)	44,231,000	34,561,000	81	+8	44,231,000	34,561,000	1.74	1.76	18.10	17.51
74	SouthTrust Corp., Birmingham, Ala. (c)	43,604,000	34,451,000	82	+8	43,604,000	34,451,000	1.21	1.12	17.68	18.50
75	First of America Bk Cp., Kalamazoo, Mich. (c)	43,191,000	33,919,000	86	+ 11	43,191,000	33,919,000	0.93	0.83	17.64	17.90
76	Marshall & Ilsley Corp., Milwaukee, Wis. (c)	42,950,000	34,684,000	80	+4	41,089,000	34,684,000	1.02	1.01	15.63	14.45
77	First Kentucky National Corp., Louisville (c)	41,889,000	35,309,000	78	+1	41,889,000	30,809,000	1.14	1.17	17.63	16.64
78	First City Bancorp. of Texas, Inc., Houston (c)	41,811,000	81,038,000	33		24,411,000	81,038,000	0.25	0.50	4.30	8.46
79	American National Corp, Chicago (c)	41,646,000	34,064,000	83	+4	41,646,000	34,064,000	1.13	1.00	20.43	18.32
80	Citizens Fidelity Corp., Louisville, Ky. (c)	41,037,000	34,026,000	84	+4	41,037,000	34,026,000	1.25	1.24	19.30	15.80
81	First Railroad & Banking Co., Augusta, Ga. (c)	40,333,000	28,156,000	105	+ 24	40,333,000	28,156,000	1.28	1.18	17.38	16.12
82	First American Corp., Nashville, Tenn. (c)	40,175,000	32,367,000	93	+ 11	40,175,000	32,367,000	0.95	0.91	15.48	15.51
83	First Virginia Banks, Inc., Falls Church (c)	40,020,000	34,959,000	79		39,447,000	33,439,000	1.36	1.31	17.83	17.70
84	First Wisconsin Corp., Milwaukee (c)	39,599,000	31,888,000	95	+ 11	39,599,000	31,447,000	0.74	0.64	11.88	10.26
85	Dominion Bankshares Corp., Roanoke, Va. (c)	39,257,000	32,883,000	91	+6	39,257,000	32,883,000	0.90	0.86	15.60	15.20
86	Bancorp Hawaii, Inc., Honolulu (d)	38,561,000	33,045,000	90	+4	38,561,000	33,045,000	0.93	0.93	15.49	15.02
87	Crocker National Corp., San Francisco (d)	37,958,000	(324,442,000)	...		29,333,000	(324,442,000)	0.18	N.A.	3.29	N.A.
88	Commerce Bancshares, Inc., Kansas City (c)	37,911,000	31,047,000	96	+8	37,911,000	30,580,000	0.83	0.71	12.26	10.82
89	First Tennessee National Corp., Memphis (d)	37,816,000	37,129,000	75		29,514,000	37,129,000	0.80	0.81	14.57	15.48
90	American Fletcher Corp., Indianapolis (c)	36,790,000	25,847,000	111	+ 21	27,713,000	25,847,000	1.08	0.80	15.98	12.70
91	Mercantile Bankshares Corp., Baltimore (c)	36,729,000	33,608,000	87		36,729,000	33,608,000	1.60	1.60	15.50	15.40
92	Louisiana Bancshares Inc., Baton Rouge (c)	36,249,000	.....	...		36,249,000	.....	0.92	.....	11.66	.....
93	United Banks of Colorado, Inc., Denver (c)	35,975,000	32,033,000	94	+1	30,269,000	31,142,000	0.84	0.84	13.10	13.10
94	United Jersey Banks, Princeton, N.J. (c)	35,800,000	30,085,000	98	+4	34,427,000	30,085,000	0.87	0.82	14.91	14.70
95	Michigan National Corp., Bloomfield Hills (c)	34,427,000	21,437,000	133	+ 38	34,427,000	21,437,000	0.50	0.32	8.96	6.24
96	Northern Trust Corp., Chicago (c)	34,133,000	22,408,000	126	+ 30	26,429,000	22,408,000	0.49	0.34	8.62	5.70
97	First National Cincinnati Corp. (c)	34,131,000	29,689,000	100	+3	34,131,000	29,689,000	1.12	1.10	14.19	14.01
98	Central Bancorporation, Inc., Cincinnati (c)	33,536,000	26,413,000	110	+ 12	33,536,000	26,413,000	N.A.	0.90	N.A.	13.90
99	Central Fidelity Banks Inc., Richmond (d)	33,285,000	29,194,000	103	+4	33,285,000	29,194,000	1.04	1.06	16.95	17.48
100	Equitable Bancorporation, Baltimore (c)	32,557,000	25,322,000	113	+ 13	32,557,000	25,322,000	0.94	0.86	18.31	16.04

Net income is income after taxes and minority interest, but before preferred dividends, extraordinary items, and significant transactions. The 1984 net income as reported in 1985 and has not been restated. Adjusted net income is net income for certain non-recurring items such as: gains (losses) from sales of buildings, branches, subsidiaries, securities sold to settle loans or debt, proceeds from equity/debt swaps, and other nonrecurring items such as venture capital profits (losses). All nonrecurring items, which are subtracted from net income, are on an after-tax basis, wherever possible. Return on Assets is the return on average assets. Return on Equity is the return on average common shareholders' equity.

(a)— Excludes $95.8 million after tax gain from sale of the company's Colonial Mortgage subsidiaries during the second quarter. (b)—Excludes $38.4 million after tax gain from the sale of Alliance Mortgage Co. (c)— A multibank holding company. (d)— A one-bank holding company. (e)—Based on year end equity. (j)—A subsidiary of National Westminster Bank, Plc., London. (k)—Holding company figures not available. Data is for lead bank used for both 1985 and 1984. (m)—A subsidiary of Boston Co. Inc., which in turn, is a subsidiary of Shearson Lehman Brothers. (r)—Based on revised data received after publication of the top 25 earners on 1/28/86. (R)—Revised since publication of the top 25 earners on 1/26/86.

"Adjustments" to Net Income — 1985

Nonrecurring items exluded by American Banker to Obtain Adjusted Net Income

(In millions of dollars on an after-tax basis)

1985 Earnings Rank		Gain from Sale of Building	Gain from Subsidiary or Branch Sale	Venture Capital Profits	All other Nonrecurring Items	Total Adjustment
2	J. P. Morgan & Co. Inc.				22.100(a)	22.100
3	Chase Manhattan Corp.	15.000	15.000		8.300(b)	38.300
10	Wells Fargo & Co.		32.100			32.100
12	First Wachovia Corp.		9.252			9.252
13	Bank of Boston Corp.			7.693		7.693
14	First Union Corp.		24.885			24.885
16	SunTrust Banks, Inc.				5.887(c)	5.887
17	First Bank System, Inc.	3.000				3.000
18	NCNB Corp.		33.958			33.958
19	RepublicBank Corp.				7.088(d)	7.088
20	Continental Illinois Corp.				37.000(e,f)	37.000
21	MCorp.	(0.109)			1.971	1.862
22	Bank of New England Corp.	12.889		3.509		16.398
29	Allied Bancshares, Inc.		6.871			6.871
33	National City Corp.		0.600			0.600
34	Norwest Corp.		38.500	33.100		71.600
39	Fleet Financial Group, Inc.		(0.5)			(0.5)
40	AmeriTrust Corp.		1.215	(0.044)	1.862(g)	3.033
41	Hartford National Corp.				(2.700)(h,f)	(2.700)
43	Maryland National Corp.	0.264	2.072		(0.254)(i)	2.082
44	Bank of Virgina Co.			0.828	(4.171)(j)	(3.343)
47	U.S. Bancorp			3.774	(0.850)	2.924
48	Rainier Bancorp.			0.685	2.254(k)	2.939
49	Southeast Banking Corp.	4.924		0.102		5.026
50	InterFirst Corp.	55.700		4.000		59.700
51	Society Corp.		4.868			4.868
58	Texas Commerce Bcsh, Inc.	18.500				18.500
65	Florida National Banks of Florida	1.748				1.748
70	First Florida Banks, Inc.	4.940				4.940
71	AmSouth BanCorp.		2.393			2.393
76	Marshall & Ilsley Corp.				1.861(l)	1.861
78	First City Bancorp of Texas, Inc.	13.400	3.000		1.000(e)	17.400
83	First Virginia Banks, Inc.	0.573				0.573
87	Crocker National Corp.				8.625	8.625
89	First Tennessee National Corp.	8.302				8.302
90	American Fletcher Corp.	9.077				9.077
93	United Banks of Colorado, Inc.				5.706(m)	5.706
94	United Jersey Banks		1.373			1.373
96	Northern Trust Corp.	7.704				7.704
	TOTALS FOR 1985:	**155.9**	**175.6**	**53.6**	**95.7**	**480.8**
	TOTALS FOR 1984:	**336.1**	**76.1**	**83.2**	**(150.4)**	**345.0**
	TOTALS FOR 1983:	**130.6**	**117.5**	**89.3**	**184.3**	**521.7**

(a)—The $22.1 million is the net after-tax amount of two 1985 nonrecurring items, one a loss, the other a gain. The loss resulted from sale of the company's portfolio of reduced-rate loans. The gain resulted from recalculation of deferred tax liabilities related to investment in leveraged leases. (b)—NYS/NYC tax adjustment. (c)—Sale of investment. (d)—Dispositions and write-downs. (e)—Proceeds from equity/debt swaps. (f)—Reported on a before-tax basis. (g)—Sale of assets acquired on foreclosed debt. (h)—Loss From investment. (i)—Loss From sale of loans. (j)—Loss due to merger expenses. (k)—Loan servicing sales net of marketing. (l)—Sale of other real estate. (m)—After tax gain on sale of real estate.

Superregionals Surface in Geographic List

Continued from Page 1

holding company is a non-money center company with approximately $10 billion or more in assets that has merged across state lines within the last 12 months, or otherwise has a significant regional presence.

Based on these criteria, 12 superregionals have emerged — seven in the Southeast and five in the Northeast.

The largest superregional in the Southeast is NCNB Corp., Charlotte, N.C., ranked 23d in the nation with $19.8 billion in assets at yearend 1985.

In the Northeast, Bank of Boston Corp., another superregional, was ranked 14th in the nation and first in the region. It reported $28.3 billion in assets.

Six of the top 10 bank holding companies in the United States are located in New York City, three are in California, and one is in Chicago.

Citicorp, New York, heads the list of bank holding companies in the U.S. with $173.6 billion in assets at yearend. Second on the list is the San Francisco-based BankAmerica Corp., with $118.5 billion in assets. Los Angeles and San Francisco together account for six of the nation's 100 largest bank holding companies, compared with 12 in New York City.

The region with the greatest number of bank holding companies in the top 100 is the Midwest, with 26. The Northeast and the Southeast each accounted for 21 of the 100 largest bank holding companies. The West had 19 banking companies and the mid-Atlantic states had 13.

New York, Boston, and Chicago were the only cities that had five or more of the 100 largest banking companies, with 12 in New York and five each in Boston and Chicago.

The Northeast region comprises: Connecticut, Massachusetts, Maine, New Hampshire, New York, Puerto Rico, Rhode Island, and Vermont.

The Mid-Atlantic region comprises: the District of Columbia, Delaware, New Jersey, and Pennsylvania.

The Southeast region comprises: Alabama, Arkansas, Florida, Georgia, Louisiana, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

The Midwest region comprises: Iowa, Illinois, Indiana, Kansas, Kentucky, Michigan, Minnesota, Missouri, North Dakota, Nebraska, Ohio, Oklahoma, South Dakota, and Wisconsin.

The West region comprises: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, New Mexico, Nevada, Oregon, Texas, Utah, Washington, and Wyoming.

Because of their impact on the rankings of the top 100 banking firms, New York City banking firms are shown separately from all other banks in the Northeast region, and California and Texas banking firms are listed separately from all other banking firms in the West region. ■

Ex-First Tennessee Bankers Form PR and Marketing Firm

Special to the American Banker

MEMPHIS — Two former officials of First Tennessee Bank have formed their own marketing communications firm, WestRogers. Becky J. West, former public relations manager of the bank, and Jayne H. Rogers, former vice president/product development manager, say WestRogers will serve financial institutions and other clients with planning, marketing, public relations, and advertising. ■

S&P Opens an Office in Tokyo

NEW YORK — Standard & Poor's Corp. has opened an office in Tokyo. The rating agency, which currently grades about 75 securities from Japanese companies — including 12 banks — said the opening of the representative office last week reflects the increasing importance of Tokyo as a major world financial center. ■

Dear Reader, How Are We Doing?

The American Banker wants very much to make sure its statistical listings for the financial services industry meet your information needs. So would you spend a moment to give us some feedback on the **Top Bank Holding Companies** survey that appears in today's edition? Over the past year we have incorporated many of your suggestions to provide more meaningful information. Please return this questionnaire to L. Michael Cacace, Statistical Chief, American Banker, One State Street Plaza, New York, N.Y. 10004 (212) 943-4836.

(1.) How would you **change** the tabulation to make it more useful? What would you add?

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Look back to see what made news

FLASHBACKS

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Commercial Bank Asset Quality
- ☐ Net Charge-Offs
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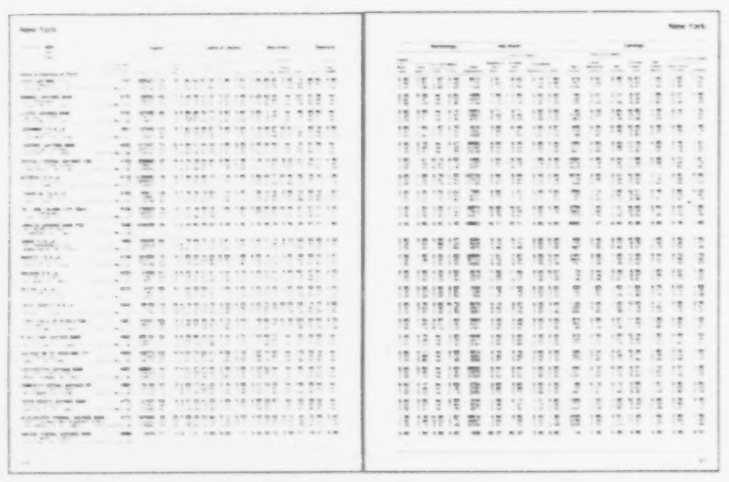

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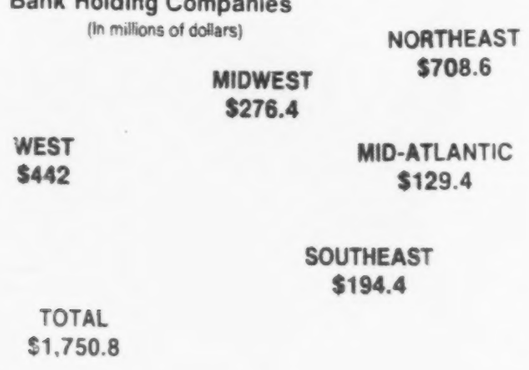
Capital Grows Twice as Fast as Assets Among Nation's Top Banks

Continued from Page 1

99 of the top 100 firms were calculated by *American Banker*. Yearend primary capital was divided by yearend assets and expressed as a percentage. For 82d-ranked State Street Boston Corp., however, the average regulatory level calculated by State Street was used. The yearend assets for State Street were substantially inflated by heavy transaction activity and cash movements by customers. As a result, yearend assets were about $1.2 billion higher than average assets.

Among the top 10 firms, the highest primary capital level was 8.05% for J.P. Morgan & Co., New York, and the lowest was 6.19% for BankAmerica Corp., San Francisco.

Regional Asset Totals for Top 100 Bank Holding Companies
(In millions of dollars)



Among the top 100 firms, two had levels between 5.50% and 6%; 17 were between 6.01% and 6.49%; 29 were between 6.50% and 6.99%; and 52 were over 7%.

On average, the *American Banker*-computed capital levels are larger than the Fed-computed levels by five to 10 basis points. The reason for the difference is that the *American Banker* does not add to total assets the allowance for possible loan and lease losses, as the Fed does.

Primary capital is the sum of total shareholders' equity capital (common stock, perpetual preferred stock, surplus, undivided profits, and contingency and other capital reserves), mandatory convertible instruments, allowance for possible loan and lease losses, and minority interest in equity accounts of consolidated subsidiaries.

Mandatory convertible instruments are subordinated debt that eventually is transformed into common or perpetual preferred stock within a specified time not to exceed 12 years. Mandatory convertible debt includes equity contract notes and equity commitment notes that were issued before May 15, 1985. The holder of an equity contract note must take common or perpetual preferred stock as payment for the note. Equity commitment notes are redeemable only with the proceeds from the sale of common or perpetual preferred stock.

Total capital is primary capital plus secondary capital. Secondary capital is the sum of limited-life preferred stock and subordinated notes and debentures and unsecured long-term debt with an original maturity of seven years.

According to the Fed, adequate capital "provides a buffer for individual banking organizations in times of poor performance, helps to maintain public confidence in particular banking organizations and in the banking system, promotes the safety of depositors' funds, and supports the reasonable growth of banking organizations. An evaluation of capital adequacy is one of the major purposes of a bank holding company examination."

For the top 10 firms, primary capital totaled $51.5 billion on Dec. 31, 1985, up 16% from $44.4 billion a year earlier. The total shareholders' equity component of primary capital rose to $37 billion, up 11% from $33.3 billion the year before. The allowance for loan losses was up 31%, to $7.7 billion from $5.9 billion; and mandatory convertible capital notes jumped 32%, to $6.7 billion from $5.1 billion.

For the top 10 firms, total shareholders' equity made up 72% of primary capital on Dec. 31, 1985, down from 75% the year before. The allowance for loan losses accounted for 15% of primary capital at yearend, compared with 13.3% a year earlier; and mandatory convertible capital notes made up 13% of primary capital, compared with 11.5% the year before.

For the top 100 firms, primary capital totaled $120.5 billion and total capital was $151.9 billion. Primary capital rose 18.8% among the 94 companies in the top 100 that reported primary capital for both 1984 and 1985. And total capital rose 29% at the 91 firms among the top 100 reporting total capital for both years. The total capital-to-assets level for these 91 firms was 8.79% at yearend 1985, up 111 basis points from 7.68% the year before. ■

Meetings . . .

Continued from Page 19

acquirer.

Holders of nearly 68% of the shares voted in favor of authorizing more Chase stock.

At Citicorp's meeting, shareholders of the nation's largest banking company approved a bonus plan allowing top executives to share in a pool of restricted stock worth nearly $20 million. Restrictive stock plans, often known as "golden handcuffs," are used at a growing number of large corporations to discourage top executives from jumping to competing companies.

Citicorp's plan allows executives to accumulate stock in the company but prohibits them from trading or selling the awarded shares for a period of up to 10 years. Employees leaving the company within that restricted period — except for retirement or disability — would be required to forfeit any stock they were awarded under the program. The length of the restriction period for each award would be determined by the compensation committee of Citicorp's board of directors.

The stock plan won overwhelming approval, with holders of 97.5% of the outstanding shares voting in favor of the measure.

Separately, Citicorp's voters defeated shareholder proposals to increase the bank's disclosure of Third World loans and to end all business operations in South Africa unless that nation abandoned its apartheid policy by the end of this year.

Citicorp's board, which opposed the proposal, said it also favors the dismantling of the apartheid system, but argued that a withdrawal would only reduce the bank's influence with the South African government and business community.

Meanwhile, Bankers Trust's newly adopted policy states that Bankers Trust will make no new loans to any sector of the South African economy, and will not voluntarily extend any existing agreements. ■

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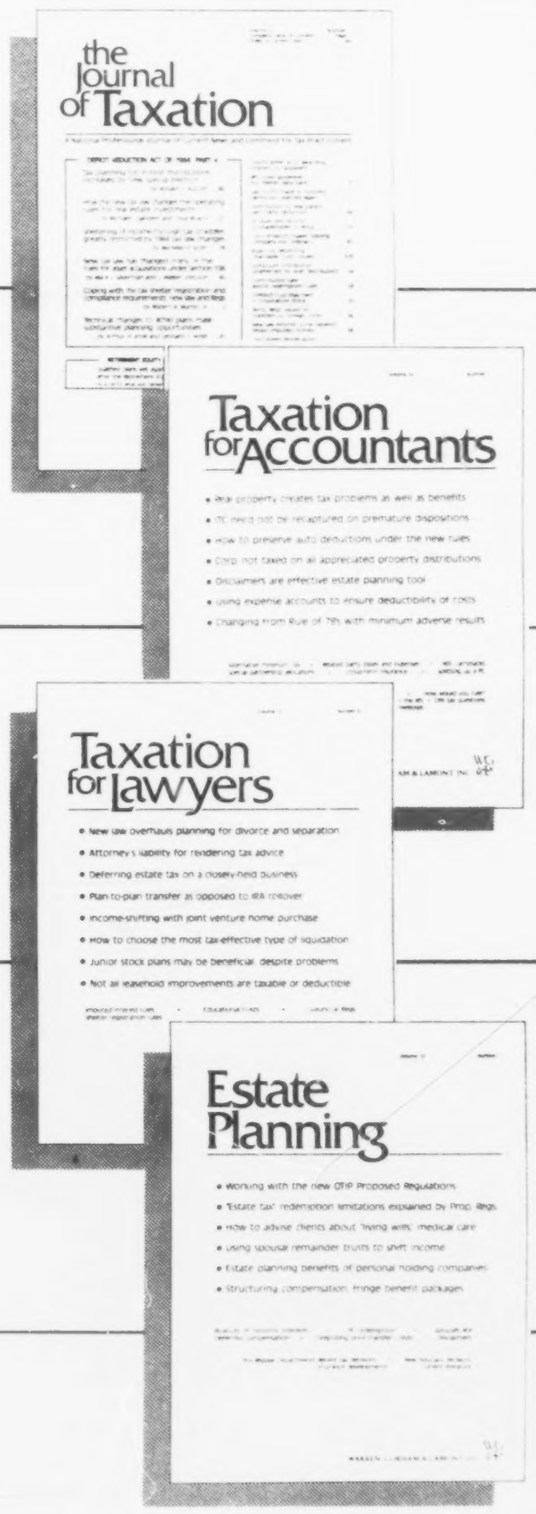

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VOL. CLI NO. 80 Wednesday, April 23, 1986 st Year

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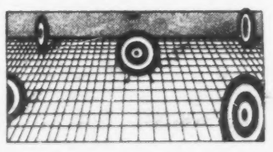

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First City of Texas Pledges Assets to Back Credit Line

Breaking of Covenants Prompts Signing Of New Pact with Money Center Banks

By BARTLETT NAYLOR and ROBERT TRIGAUX

WASHINGTON — First City Bancorporation of Texas Inc., Houston, which last week said it had increased provisions for loan losses to a record $275 million, has restructured its credit lines with major money center banks and pledged assets to back the lines.

First City's problems stem from rapidly falling oil prices and accompanying troubled economic conditions in Texas.

According to First City's filing Tuesday with the Securities and Exchange Commission, the bank holding company on April 16 amended its revolving credit and term loan agreement by the "pledging of certain assets to secure all borrowings" under the credit agreement.

The Houston banking group signed a new contract for its credit line because its heavy loan-loss provisions resulted in First City's breaking of existing loan covenants, according to a source at First City. The credit line amounts to approximately $210 million, the First City source said.

"It's standard operating procedure," and it is not the first time lately that Southwest banks have signed new contracts for credit lines, according to James McDermott, bank analyst with Keefe, Bruyette & Woods Inc. in New York. BancTexas, a Dallas-based banking organization, has restructured its credit line, as has a major Oklahoma bank, he said.

Under the new borrowing terms, First City secured its credit line by pledging assets consisting of all outstanding stock of its subsidiaries, excluding the common stock of its subsidiary bank, First City National Bank of

➡ First City: Page 11

Equity Capital Levels Rise in '85 As Asset Growth Lags Far Behind

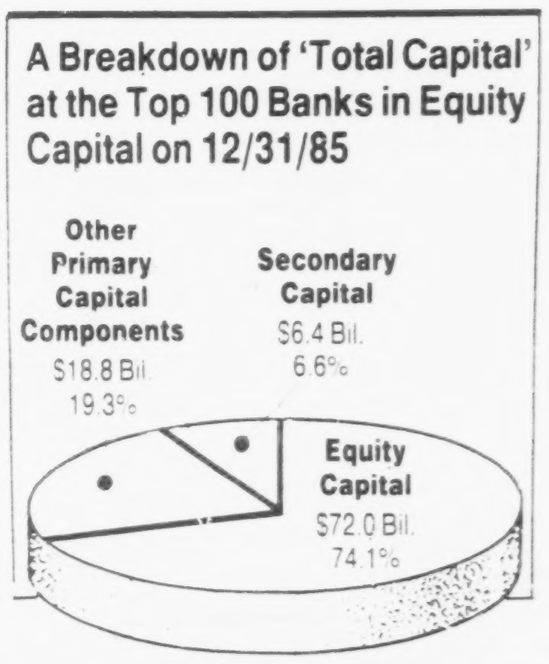
By L. MICHAEL CACACE

NEW YORK — Equity capital grew one and a half times faster than assets last year at the top 100 commercial banks ranked by total equity capital. As a result, equity capital as a percentage of assets for the top 100 rose 19 basis points, to 5.23% on Dec. 31, 1985, from 5.04% on Dec. 31, 1984.

Citibank, the nation's largest bank in both deposits and assets, also was at the top in total equity capital, with $7.04 billion on Dec. 31, 1985, up 11.4% from $6.32 billion a year earlier. Its equity capital equaled 5.08% of assets on Dec. 31, the fourth-best percentage among the top 10 banks in total equity. Citibank, based in New York, is the lead bank for Citicorp, the nation's largest banking firm.

These are some of the findings of the *American Banker*'s third annual survey of capital at the nation's top commercial banks. This is the first time banks have been ranked by equity capital.

Equity capital is the sum of perpetual preferred stock, common stock, surplus, and undivided profits and capital reserves. It is the excess of the bank's assets over its liabilities. In general, a bank is considered to have adequate



➡ Equity Capital: Page 10

Bankers Uneasy Over Auto Incentives

By ROBERT GARSSON

DETROIT — While bankers believe that the General Motors Corp.'s current round of incentive financing has failed to produce the hoped-for boost in sales, the frequency with which the reduced-rate programs are being offered is creating a sense of unease among bank auto lenders.

The Mechanics Bank of Richmond, Calif., for example, has provided the floor plan, or inventory financing, for two area GM dealers for almost 30 years now, said Norman S. Jackson, the bank's vice president in charge of auto finance.

"But with the new incentive programs the retail paper programs from those two have all but dried up, and I just feel that we are going to lose the floor plan as well in the near future," he said. Retail paper refers to auto loans that dealers sell to banks and other lenders.

The Mechanics Bank counts auto finance among its most important products. Its $40 million in auto-related loans represents about 10% of the bank's total assets and fully half of its consumer loans, Mr. Jackson said. But with the incentives, which began appearing with some frequency last year, "we have lost about 26% of our volume," Mr. Jackson said.

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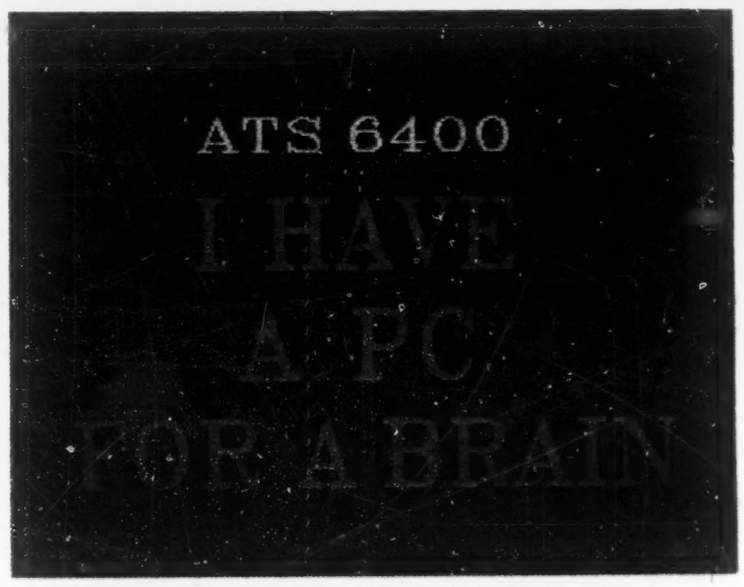

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